



City of Santa Barbara
Airport Department

Meeting: 04/19/17
Agenda Item No. 04

DATE: April 19, 2017
TO: Airport Commission
FROM: Hazel Johns, Airport Director
SUBJECT: Lease Amendment with Above All Aviation

RECOMMENDATION:

That Commission authorize the Airport Director to execute this Second Amendment to Agreement No. 201603, as amended on November 1, 2016, between the City of Santa Barbara and Above All Aviation, a California "C" Corporation, amending the "Rental" provision, establishing the new base rent at \$2,261 per month, and the "Utilities" provision, to recognize changes in the composition of tenants in Building 312 at 1503 Cecil Cook Place, and provide for an equitable distribution of Common Area Maintenance and Utilities charges.

DISCUSSION:

Background

Above All Aviation has been providing flight instruction, aircraft rental, and maintaining their owned or leased aircraft at the Santa Barbara Airport since January 2010. They currently lease 18,691 square feet of ramp and 6,522 square feet of hangar space for an aircraft maintenance facility at 101 Cyril Hartley Place and 1,809 square feet for a flight school and test center in Building 312 at 1503 Cecil Cook Place.

Building 312 houses a combination of general aviation and commercial/industrial tenants. It has recently become the temporary home to Easy Lift Transportation. Easy Lift's building was flooded during recent rains and is currently undergoing repairs. Easy Lift will continue to be housed in Building 312 for several months, pending repairs on their building.

In March 2017, Above All contacted the Airport and requested a reduction in rent on those areas of its premises that they considered to be storage. Airport Staff reviewed Above All's proposal and concluded that a reclassification and limited reduction in rent for areas deemed to be "storage" was justifiable. Classifying 619 square feet of space as "storage" at \$1.00 per square foot resulted in a new rental of \$2,261, and an approximate \$300 per month savings to Above All.

In addition, a readjustment of the utilities and Common Area Maintenance (CAM) charges was calculated based on the square footage occupied by each tenant, compared to the total leased square footage in the building. The recalculation will result in new monthly charges for Above All of \$23.09 or the metered amount for water, \$15.30 for sewer, \$219 for electricity, and \$55.89 for CAM.

The reduced rent will be applied retroactively to February 1, 2017, and the new utilities charges will be applied retroactively to March 1, 2017, the date that Easy Lift Transportation was relocated to the building.

The proposed Lease Amendment has been negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review.

PREPARED BY: Business & Property Division

ATTACHEMENT: Map

